OVERVIEW OF ISSUES IN WOMEN S EMPLOYMENT IN MULTINATIONAL AGRIBUSINESS

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Introduction

The ninety-nine percent of the world s women who gained the right to vote during the twentieth century are exerting increasing pressure on the world s governments for protection of their right to equal treatment under the law. This pressure was greatly amplified during the United Nations (UN) Decade for Women, (1985-95) and the Beijing Conference which followed (UN, 1995). Since 1980, more than a hundred countries have ratified the UN Convention on the Elimination of All Forms of Discrimination Against Women, (UN, 1980) and many subscribe to the International Labour Organization (ILO) conventions on fair labor practices (ILO web site). In the developing world, family laws are still often problematic, but most countries now have reasonably good policies on the rights of women to education and employment. While there has been great progress in the implementation of women s access to education, equal employment policies are often honored more in the breech than in the observance. Governments have often lacked the will or the resources to vigorously enforce labor laws, and although they are being pressed to improve, progress is slow (ILO, 2001). For both men and women, working conditions are often poor, but women are among the most vulnerable workers (UN, 1999).

With the rapid increase in direct foreign investments, multinational businesses are becoming important employers in developing countries. Considerable public concern has been expressed about the treatment of overseas workers, many of whom are women. Active constituencies of unions, churches, and non-governmental organizations have organized consumer campaigns to press for improved conditions (Orton et al, 2000, Business for Social Responsibility web site). So far, most of the American firms affected have been in the garment industry, toy manufacturing and sporting goods production, but agribusiness is also vulnerable to consumer concerns. In Europe, such pressure has already affected grocers and suppliers, pressing them to certify decent working conditions as well as safe environmental practices for the products they sell. Increasing numbers of multinational firms are adopting codes of conduct designed to assure their customers, their stockholders and their boards that they are behaving legally and ethically in overseas operations (Berenbeim, 1999).

Many of these companies have long established policies on equal opportunity employment, and are committed to the understanding that a diverse, well-treated labor force is an important element in long-term company success (Lawler, 1999). Most codes of conduct mandate conformity to national laws, even when they are not being vigorously enforced. Agribusinesses located in rural areas where formal employment opportunities are limited, especially for women, provide interesting examples of the interaction of local and international employment norms regarding gender equity. It s safe to assume a range of behaviors among multinational companies and an even greater range among local sub-contractors. The GAP project seeks to document some of the best practices among them to demonstrate what is realistically possible. The remainder of the overview gives a brief history of the evolution of international trade in agricultural products and the changing circumstances of the world s women . The accompanying analytic framework provides a tool for use in assessing employment practices as they affect

women workers.

International Agribusiness

International trade in agricultural products has been a major engine of economic development for centuries. The woolen trade was the basis of early English wealth, while grain from the Ukraine and the New World fed much of Europe during the eighteenth and nineteenth centuries. Gradually, as the world economy widened and deepened, processed foods also began to move through international markets. With the advent of refrigeration and freezing techniques fruits, vegetables, flowers and seafood joined the flow of products from south to north. With the rapid growth of a middle class in many countries, demand for a wider range of foods has also created domestic markets for agribusiness products, and local companies have emerged to respond to this demand, while multinational companies buy and process products for sale both domestically and internationally. Over the past three decades, agribusiness production and processing has grown exponentially in developing countries, providing substantial new employment opportunities in farming, processing, transporting, and marketing.

Developing countries have generally welcomed this growth, which provides not only employment, but also taxable exports (Timmer et al, 1983, Mellor, 1966). Some have tried to capture the full benefits by creating parastatel companies, owned by the government, which purchase products from farmers and sell them on the world market. Over the past decade, under pressure from the International Monetary Fund (IMF) and the World Bank many national parastatels have been privatized as it has become clearer that this is not usually an effective business strategy. Today, the worldwide agribusiness sector is a mix of small, mid-size and very large companies selling to both domestic and international markets. Some companies are locally owned, others are large multinationals such as Cargill, Quaker Oats, Kelloggs, Cadburry, Nestles, and Novartis.

Women in Developing Countries

Over the last century, women s circumstances have also changed profoundly. At the beginning of the 21st century, the women of the world live longer, have fewer children, are more likely to be literate, to work outside the home, and to have political and legal rights than at any previous time in the world s history. According to UN data compiled by Sivard (1995).

-The average girl in the developing world can expect to live 10 years longer than her mother.

- Women in every region of the world have begun to reduce their fertility. In the developing world the total fertility rate per women in 1950 was 6.2 live births; in 1995 it was 3.3 per woman.

- In low income countries, girls education lags behind boys , but it is increasing more rapidly. In these countries, the percentage of eligible girls enrolled in primary school rose from 37% in 1960 to 78% in 1995. At the secondary and tertiary levels, 45 percent of the world s students are now women.

-With longer life, better education and smaller families, women are entering the paid

labor force in large numbers all over the world. According to the World Bank, (1999) there are 880 million women in the world s formal labor force, twice the number in 1950. Rates of women s employment vary by region; they are lowest in South Asia and the Middle East, highest in Eastern Europe, the Far East and North America, but everywhere there are sizable numbers of women working for pay (UN, 1995).

Women s Employment

Current knowledge on the situation of women workers in the developing world deals primarily with urban women and those in enterprise development zones. We know that in both local and multinational firms, conditions are often not good; long hours, low pay and unhealthy working conditions are common (Elson, 2000, Mehra and Gammage, 1997).

For the eighty percent of women in developing countries who live in rural areas, less is known about their formal employment. Change comes more slowly in rural areas, and farm women s access to schooling, health care and paid employment has been more limited than their urban sisters. Because traditional rural labor markets have discriminated severely against women, most have worked in household production, agriculture, and the informal economy. Three decades of research have given us a solid understanding of women s work in these areas (Cloud, 1988, 1994, Feldstein and Poats, 1989, Fong and Anjana, 1996) but the literature on formal employment of rural women is still small and scattered (Dixon, 1979, Alberti, 1999).

Yet change is clearly underway. Multinational agribusinesses are now present in rural areas around the world, employing both women and men in the production and processing of a variety of crops, some exported to industrialized countries, some sold in local and regional markets. In many rural areas there are increasing numbers of young women with substantial education who are having fewer children, and having them later. Such younger women, rather than their illiterate mothers, present an attractive labor pool and many companies are employing them in substantial numbers. Those with less education may do field work, pick and pack crops, or work in food processing factories. Many of these jobs are seasonal, and workers are employed on short-term contracts with lower pay and limited benefits. Those with more education may serve as clerks, office staff, computer operators, or managers. More of these jobs are permanent, with better pay and benefits.

Why are the companies hiring women? There are a variety of reasons. The simplest is location. The companies are in rural areas, and so are the women. In many rural areas there is substantial male out-migration to urban areas, leaving women behind to care for the household (Cloud, 1999). Women are often more willing to accept seasonal work, because it permits them to fulfill other family responsibilities and still generate cash income. For some types of production women are seen as better workers, more careful in picking and processing delicate crops, and more committed to the job (Lawler, 2000, Gow, 2001). Their wages are generally lower than men s in traditional rural labor markets, so they can be hired for less. Finally, for many multinational companies, equal opportunity employment is company policy, and hiring women is simply a routine part of business.

The increasingly globalized world economy is generating substantial attention to the equity and efficiency of employment practices in rich and poor countries alike. Multinational businesses

have been central in much of this discussion. For both male and female workers, the issues raised in research and policy include:

Equal Opportunity Employment
Hiring Practices
Promotion Practices
Wage Structures
Rehiring Practices
Overtime Practices

Human Resource Management Issues
Worker Representation
Benefits
Training
Sexual Harassment

Health and Safety Issues
Working Conditions
Accidents
Health Risks
Night Travel
Worker Nutrition/ Cafeterias

Work/Family Balance Issues
Pregnancy Policies
Child Care
Flexible Time
Emergency Leaves

At first glance many of these issues appear to affect both sexes in much the same way, but there are often subtle gender differences in their impact.

- Women may only be hired in a limited number of job categories.
- Wage structures may pay more for jobs usually done by men.
- Men may be considered more appropriate for managerial posts.
- Women may not be selected for training because it is assumed that they cannot leave their family responsibilities.
- Overtime work which demands night travel involves different risks for women than for men.
- Flexible time and emergency leaves may be more important to women because of their family responsibilities.
- Benefit structures may include gender-biased elements (for example, only male managers may be eligible for company housing.)
- Unions may be male dominated, and not sensitive to women s issues.

Among the best practices found in the first round of GAP case studies which address these concerns were the following:

- Transparency and equal opportunity hiring for both office jobs and manual labor. (Zimbabwe).
- Equal pay for women and men at each job grade. (Zimbabwe, Thailand)
- Raises for experience. (Zimbabwe, Thailand)
- Equal access to training. (Thailand, Poland, Zimbabwe)
- Equal access to promotion to supervisor. (Thailand, Poland)
- Protection from sexual harassment. (Zimbabwe, Thailand)
- Bonuses for high worker attendance (Thailand)
- Flexibility in leaves for family needs (Thailand, Poland)
- Pregnancy reassignments to lighter work (Thailand)
- Free transport to and from work (Thailand)
-Tuition assistance to workers and/or their children (Poland, Thailand)

- Partial health care. (Thailand, Poland, some workers in Zimbabwe)
- Equal access to company housing for women and men employees. (Zimbabwe)

The attached Analytic Framework presents one way to organize rural employment information to highlight gender issues on a case-by-case basis. It places employment practices in the local gender role context, as well as in the context of company goals and production processes. Both are important sources of variability in employment practices, but the worldwide policy impacts of international agreements are also increasingly important for companies operating across national borders.

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ANALYTIC FRAMEWORK
Women s Employment in Agribusiness

THE COMPANY CONTEXT

Describe the Company context of this operation. Why are they here? What are their long term goals? What are their production processes? How successful are they? What are their major problems/concerns?

What are the company policies on women s employment? What are the country policies on women s employment? How well do they mesh?

GENDER ANALYSIS OF ACTIVITIES AND RESOURCES

Male/Female Activities in traditional system
Agriculture
Informal Sector
Household and Human Capital Production
Paid Employment

Overview

Male/Female Activities in the company
Management
Clerks/office staff

Production workers
Other

Male/Female access to traditional resources
land
education
capital
rural labor markets
political power/prestige

Male/Female access to company resources
employment
pay
training
promotion
benefits: housing, health services, etc.

POSSIBLE GENDERED MANAGEMENT ISSUES

Hiring
Retention
Training
Wages/ Benefits
Promotion
Working conditions
Health and safety
Sexual Harassment
Management style
Worker representation
Work/Family Issues
Pregnancy policies

INTERACTION BETWEEN GENDER AND MANAGEMENT CONCERNS

Equity Effects Efficiency Effects Effects on Company Sustainability

Overview